

LEGISLATURE OF NEBRASKA
NINETY-SIXTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 1304

Introduced by Janssen, 15; Hartnett, 45

Read first time January 19, 2000

Committee: Government, Military and Veterans Affairs

A BILL

1 FOR AN ACT relating to the Auditor of Public Accounts; to amend
2 section 84-304, Reissue Revised Statutes of Nebraska; to
3 change provisions relating to examinations of fire
4 protection districts; and to repeal the original section.
5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 84-304, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 84-304. It shall be the duty of the Auditor of Public
4 Accounts:

5 (1) To give information in writing to the Legislature,
6 whenever required, upon any subject relating to the fiscal affairs
7 of the state or with regard to any duty of his or her office;

8 (2) To furnish offices for himself or herself and all
9 fuel, lights, books, blanks, forms, paper, and stationery required
10 for the proper discharge of the duties of his or her office;

11 (3)(a) To examine or cause to be examined, at such time
12 as he or she shall determine, books, accounts, vouchers, records,
13 and expenditures of all state officers, state bureaus, state
14 boards, state commissioners, the state library, societies and
15 associations supported by the state, state institutions, state
16 colleges, and the University of Nebraska, except when required to
17 be performed by other officers or persons; 7

18 (b) ~~to~~ To examine or cause to be examined, at the expense
19 of the political subdivision, when the Auditor of Public Accounts
20 determines such examination necessary or when requested by the
21 political subdivision, the books, accounts, vouchers, records, and
22 expenditures of an agricultural association formed under Chapter 2,
23 article 20, county agricultural society, joint airport authority
24 formed under the Joint Airport Authorities Act, city or county
25 airport authority, development district, regional council, drainage
26 district, ~~fire protection district,~~ health district, historical
27 society, hospital authority or district, county hospital,
28 irrigation district, county or municipal library, community mental

1 health center, railroad transportation safety district, rural water
2 district, township, or the Wyuka Cemetery. An examination of any
3 volunteer department as defined in section 35-901 shall not include
4 an examination of the volunteer department trust fund; 7 and

5 (c) ~~to~~ To report promptly to the Director of
6 Administrative Services and the appropriate standing committee of
7 the Legislature the fiscal condition shown by such examinations
8 conducted by the auditor, including any irregularities or
9 misconduct of officers or employees, any misappropriation or misuse
10 of public funds or property, and any improper system or method of
11 bookkeeping or condition of accounts; and

12 (d) To examine or cause to be examined the books,
13 accounts, vouchers, records, and expenditures of a fire protection
14 district. The expense of the examination shall be paid by the
15 political subdivision. An examination of any volunteer department
16 as defined in section 35-901 shall not include an examination of
17 the volunteer department trust fund.

18 (i) Whenever the expenditures of a fire protection
19 district are less than one hundred fifty thousand dollars per
20 fiscal year, the fire protection district shall be audited no more
21 than once every five years except as directed by the board of
22 directors of the fire protection district or unless the ~~Auditor of~~
23 ~~Public Accounts~~ auditor receives a verifiable report from a third
24 party indicating any irregularities or misconduct of officers or
25 employees of the fire protection district, any misappropriation or
26 misuse of public funds or property, or any improper system or
27 method of bookkeeping or condition of accounts of the fire
28 protection district. In the absence of such a report, the ~~Auditor~~

1 ~~of Public Accounts~~ auditor may waive the five-year audit
2 requirement upon the submission of a written request by the fire
3 protection district in a form prescribed by the ~~Auditor of Public~~
4 ~~Accounts~~ auditor. The ~~Auditor of Public Accounts~~ auditor shall
5 notify the fire protection district in writing of the approval or
6 denial of a request for waiver of the five-year audit requirement.
7 Upon approval of the request for waiver of the five-year audit
8 requirement, a new five-year audit period shall begin.

9 (ii) Whenever the expenditures of a fire protection
10 district exceed one hundred fifty thousand dollars in a fiscal
11 year, the auditor may waive the audit requirement upon the
12 submission of a written request by the fire protection district in
13 a form prescribed by the auditor. The auditor shall notify the
14 fire protection district in writing of the approval of a request
15 for waiver. Upon approval of the request for waiver, a new
16 five-year audit period shall begin for the fire protection district
17 if its expenditures are less than one hundred fifty thousand
18 dollars per fiscal year in subsequent years; -

19 (4) To ~~The Auditor of Public Accounts shall~~ appoint two
20 assistant deputies ~~(i)~~ (a) whose entire time shall be devoted to
21 the service of the state as directed by the auditor, ~~(ii)~~ (b) who
22 shall be certified public accountants with at least five years'
23 experience, ~~(iii)~~ (c) who shall be selected without regard to party
24 affiliation or to place of residence at the time of appointment,
25 ~~(iv)~~ (d) who shall promptly report in duplicate to the auditor the
26 fiscal condition shown by each examination, including any
27 irregularities or misconduct of officers or employees, any
28 misappropriation or misuse of public funds or property, and any

1 improper system or method of bookkeeping or condition of accounts,
2 and it shall be the duty of the auditor to file promptly with the
3 Governor a duplicate of such report, and ~~(v)~~ (e) who shall qualify
4 by taking an oath which shall be filed in the office of the
5 Secretary of State; and

6 ~~(4) Conduct~~ (5) To conduct audits and related activities
7 for state agencies, political subdivisions of this state, or
8 grantees of federal funds disbursed by a receiving agency on a
9 contractual or other basis for reimbursement to assure proper
10 accounting by all such agencies, political subdivisions, and
11 grantees for funds appropriated by the Legislature and federal
12 funds disbursed by any receiving agency. The ~~Auditor of Public~~
13 ~~Accounts~~ auditor may contract with any political subdivision to
14 perform the audit of such political subdivision required by or
15 provided for in section 23-1608 or 79-1229 or this section and
16 charge the political subdivision for conducting the audit. The
17 fees charged by the auditor for conducting audits on a contractual
18 basis shall be in an amount sufficient to pay the cost of the
19 audit. The fees remitted to the auditor for such audits and
20 services shall be deposited in the Auditor of Public Accounts Cash
21 Fund; and -

22 (6) To conduct all ~~All the~~ audits and examinations
23 ~~conducted by the Auditor of Public Accounts shall be conducted~~ in a
24 timely manner and in accordance with the standards for audits of
25 governmental organizations, programs, activities, and functions
26 published by the Comptroller General of the United States.

27 Sec. 2. Original section 84-304, Reissue Revised
28 Statutes of Nebraska, is repealed.